

Regular Meeting Minutes

Board of County Commissioners Hyde County

Tuesday, June 5, 2018

Following opening prayer by Commissioner Swindell and Pledge of Allegiance, Chairman Earl Pugh, Jr. called the Regular Meeting of the Hyde County Board of Commissioners to order at 6:00p.m., on Tuesday, June 5, 2018, in the Hyde County Government Center, Multi-Use Room, and the Ocracoke Community Center using electronic conferencing equipment.

The following members were present on the mainland: Chairman Earl Pugh, Jr.; Vice-chairman Barry Swindell; Commissioners Ben Simmons, Tom Pahl and Dick Tunnell; County Manager Bill Rich; Assistant County Manager Kris Noble; Attorney Franz Holscher; Clerk to the Board Lois Stotesberry; IT Director Donnie Shumate; and, members of the public.

Teresa Adams, operated the electronic conferencing equipment, and members of the public were present on Ocracoke.

Consideration of Agenda:

Commissioner Swindell moved to approve the Tuesday, June 5, 2018 Board of Commissioners Regular Meeting Agenda as presented by the Clerk with addition of Presentation No. 2 – Alligator Hunting; No. 3 – Tom Harrison – Extended Coyote Hunting/Trapping; and, Items of Consideration No. 9 – Engineering Services CDBG-DR (Davis School roof); No. 10 – Tower Request – Sadie Weston Road; No. 11 – Fairfield Drainage District; No. 12 – Senate Bill on Aquaculture; and, No. 13 Gift of Engelhard Marine Park. Consideration Item No. 8 – NACo Voting Delegate was deleted from the agenda. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – None.

Consideration of Minutes:

May 7, 2018 – Regular Meeting

Commissioner Pahl moved to approve the May 7, 2018 Hyde County Board of Commissioners Regular Meeting Minutes as presented by the Clerk. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

May 14-15, 2018 – Budget Workshop Meeting

Commissioner Pahl moved to approve the May 14-15, 2018 Hyde County Board of Commissioners Budget Workshop Meeting Minutes as presented by the Clerk with correction on page 5 line 6 – ~~JCPG Coordinator~~ Agriculture Agent and page 7 line 11 – ~~increased~~ decreased. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Public Hearings:

CDBG Neighborhood Revitalization Grant Project

Commissioner Swindell moved to open Public Hearing on CDBG-NR Grant Project. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Hearing no public comment, Commissioner Simmons moved to close Public Hearing on CDBG-NR Grant Project. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Commissioner Pahl moved to approve a CDBG Neighborhood Revitalization (NR) Grant Project Application and to award the grant administration services contract to Holland Consulting Planners (HCP). Mr. Tunnell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

FY2018-2019 Hyde County Budget

Commissioner Swindell moved to open Public Hearing on the FY2018-2019 Hyde County Budget. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Hearing no public comment, Commissioner Swindell moved to close Public Hearing on the FY2018-2019 Hyde County Budget. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Presentations:

ABC Board

Meredith Nicholson, ABC Board Chair, presented an update on the Hyde County ABC Board's financial status. She reported sales were down due to the extended power outage but the bottom line is the same as last year. Painting and lighting upgrades are planned for the Ocracoke store. Shelving projects are planned for both stores.

Commissioner Pahl moved to re-appoint current ABC Board member John Giagu of Ocracoke to another three (3) year term running from July 1, 2018 to June 30, 2021. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Alligator Hunting

Kris Noble, Assistant County Manager, reported at its May 7, 2018 Board of Commissioners meeting the Board unanimously authorized staff and Chairman Earl Pugh, Jr. to complete and sign the Local Population Reduction Alligator Hunt Application. Ms. Noble continued discussion on Alligator Management Options for Municipalities. She reported the NCWRC adopted rule (H6) to allow limited take of American alligators. In accordance with the Alligator Management Plan, a local population reduction hunt may be requested by a municipality (NCGS § 160A-1(2)) within Alligator Management Unit 1 (Brunswick, Carteret, Columbus, Craven, Hyde, Jones, New Hanover, Onslow, Pamlico and Pender counties). Information is available online at www.ncwildlife.org/alligator or e-mail: wildlifehelpline@ncwildlife.org.

Robert Wayne, North Carolina Wildlife Resources Officer, reported on issues related to the alligator population in Hyde County.

Evin Stanford, Private Lands Program Coastal Plain Supervisor, presented statistics on the alligator population in Hyde County districts.

Chris Turner, District 1 Biologist, reported wildlife over-population controls itself by disease.

Extended Coyote Hunting/Trapping

Tom Harrison, Manager with Mattamuskeet Ventures I, LLC, from Plymouth, NC discussed "wildlife terrorists". Mr. Harrison reported coyotes have up to 19 pups each. He presented statistics from a University of Georgia study that confirms trapping is the only effective way to control the coyote population. He recommends a 2 to 4 week trapping season and all traps off the ground during deer hunting season.

Marco Gibbs, hunter/trapper, of Engelhard, recommends year-round hunting/trapping of coyotes. He reported hunting coyote is best in March and April.

Chairman Pugh and Assistant County Manager Noble will continue to follow this issue and report their findings.

Juvenile Jail Facility

Guire Cahoon, Hyde County Sheriff, learned in a meeting with NCDPS Deputy Secretary for Juvenile Justice, Jim Lassiter, that the adult criminal justice system age has been raised from 16 to 18. The nearest juvenile facility is in Pitt County and houses only 13 inmates. The next available facility is in Wake County. Sheriff Cahoon reported the currently vacant Hyde County Jail can be utilized for a juvenile jail facility that will house 36 inmates.

Kris Noble, Assistant County Manager, will present update and options for the facility at the next regularly scheduled Board of Commissioners meeting on July 2, 2018 at 6:00p.m. in the Hyde County Government Center, Multi-Use Room, and the Ocracoke Community Center using electronic conferencing equipment.

Employee/ Volunteer/ Friend of The Month:

Bill Rich, County Manager, thanked the Board of Commissioners for their continued cooperation over the past 5 years and 4 months. This is Mr. Richs' last meeting as manager.

Public Comment:

Peter Vankevich and Connie Leinbach, Ocracoke Observer – discussed over-population of raccoons and plans to control the raccoon population on Ocracoke Island.

Kris Noble, Assistant County Manager referred Ocracoke citizens to Chris Turner, NCWRC District 1 Biologist, to introduce options to control the raccoon population on the Island.

Commissioner Pahl will follow up.

Items of Consideration:

Resolution Authorizing County Manager to Reconcile Department Budgets

Bill Rich, County Manager, presented request to reconcile departmental budgets prior to year-end closeout under the following conditions:

- Transfer amounts between objects of expenditure within a department except salary amounts without limitations.
- Transfer amounts up to \$10,000.00 between departments of the same fund with an official report of such transfers to be made available for approval at the next meeting of the Board of Commissioners.
- Not transfer any amounts between funds nor from contingency within any fund.
- Assign legal costs to departments based upon the legal issue involved.

Commissioner Pahl moved to adopt "Resolution Authorizing County Manager To Reconcile Department Budgets". Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Clerk's Note: A copy of "Resolution Authorizing County Manager To Reconcile Department Budgets" is attached herewith as Exhibit A and incorporated herein by reference.

Resolution – Relating To The Budget For Fiscal Year 2018-2019

Bill Rich, County Manager, presented "Resolution Relating To The Budget For Fiscal Year 2018-2019".

The Board of Commissioners adopts its goals regarding items contained within the "FY2018-2019 Hyde County Budget". The Hyde County Board of Commissioners shall:

1. Continue to make economic development projects related to value added agriculture, commercial fishing, aquaculture and tourism high priority with a goal of creating quality job opportunities and increasing the tax base.
2. Continue to support community development projects for the betterment of our citizens.
3. Continue to support the expansion of infrastructure services to the citizens of the County.
4. Continue to expect a high level of customer service for citizens in all interactions with County government.

The Board of Commissioners adopts the following County Manager's objectives regarding items contained within the "FY2018-2019 Hyde County Budget", and additional expectations and commitments.

The Hyde County Board of Commissioners shall:

1. Continue to maintain a healthy unassigned fund balance.
2. Operate within the adopted budget with an emphasis on cost savings and reduced expenses.
3. Continue to support cooperative efforts with US Fish and Wildlife, North Carolina Wildlife Resources Commission, the National Park Service, North Carolina Department of Transportation/Ferry Division, and Dare County to increase eco-friendly tourism on both the Mainland and Ocracoke Island.
4. Continue developing a public/private partnership for the Mattamuskeet Lodge.
5. Maintain a highly developed EMS Department.
6. Support established Beaufort County Community College satellite campus and Beaufort-Hyde-Martin Library at the Davis Center.
7. Continue to work with our Lobbyist to maintain total communication with our state and federal elected officials.
8. NO INCREASES in ferry tolls. Establish State funding of all new ferries and promote possible elimination of all ferry tolls.
9. Continue total support of passenger ferry service between Hatteras and Ocracoke, and the corresponding infrastructure that goes along with this adventure. Continue exploration for restoration of the short route.
10. Implement a debit/credit billing system in the Tax Office in conjunction with our new Farragut software system.
11. Increase Hyde County tax collection rate by two percentage points.
12. Continue economic development through the Revolving Loan Fund.
13. Continue to develop an internal self-sustaining IT department which will become a profit center for Hyde County.
14. Create a non-emergent ambulatory service through our EMS on Hyde's mainland which will be self-sustaining and will also become a profit center for Hyde County.
15. Stay active in the community via Meals on Wheels, Senior Center, 4-H Center and continue our support of Hotline, Food Bank, Chamber, Engelhard Recreation Park, and Ocracoke Community Park.
16. Use FEMA lands for community and County use; gardens, vineyards, and planted trees.
17. Continue to be responsible stewards of our magnificent county.

Commissioner Pahl reported Hyde County is losing revenue as a result of tax increase which is partially responsible for low collections.

Commissioner Swindell moved to adopt "Resolution Relating To The Budget For Fiscal Year 2018-2019" with addition to No. 10 – Increase collections by 2% as recommended by Commissioner Pahl. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Clerk's Note: A copy of "Resolution Relating To The Budget For Fiscal Year 2018-2019" is attached herewith as Exhibit B and incorporated herein by reference.

Hyde County FY2018-2019 Budget Ordinance

Bill Rich, County Manager, presented "An Ordinance of the Board of County Commissioners of Hyde County, North Carolina, Relating To The Fiscal Year 2018-2019 Budget".

Manager Rich reported two (2) typographical corrections have been made:

Article XVI – Other Provisions – Section 1 (b) – He may transfer amounts up to ~~\$25,000.00~~ \$10,000.00 between departments of the same fund with an official report of such transfers at the next regular meeting of the Board of Commissioners.

Article XX – Tax Levy – A public hearing on this Budget Ordinance was held on June 4~~th~~ 5th, 2018. This Budget Ordinance was adopted on the 4~~th~~ 5th day of June, 2018.

Manager Rich reported the following tax rate(s) have been levied:

Article XX – Tax Levy – Section 1 – There is hereby levied at the rate of \$0.77 per One Hundred Dollars (\$100) valuation of property listed for taxes as of January 1, 2018, for the purpose of raising the revenue listed in the General Fund, Article II., Section 2, of this Ordinance. Ocracoke Mosquito Control Tax Rate is levied at the rate of \$0.01 per One Hundred Dollars (\$100) valuation of property listed.

Article XX – Tax Levy – Section 1 – The rate of tax as shown in Sections 1 above is based upon a total valuation of property for the purpose of taxation of \$905,398,842 and vehicles of \$40,000,000 and an estimated collection rate of 95.56% for real property and 100.00% for vehicles.

Commissioner Pahl reported the Ocracoke Mosquito Control Board voted to propose a \$0.005 tax increase for Ocracoke for the 2019-2020 Budget.

Following Board of Commissioners' discussion about the \$0.04 tax increase, tax collection rate concerns, and its impact on prospective investors in Hyde County, Commissioner Swindell moved to adopt "An Ordinance of The Board of County Commissioners of Hyde County, North Carolina, Relating to The FY2018-2019 Budget". Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Clerk's Note: A copy of "An Ordinance of The Board of County Commissioners of Hyde County, North Carolina, Relating To The FY2018-2019 Budget" is attached herewith as Exhibit C and incorporated herein by reference.

Governing Body Resolution – Municipal Insurance Trust of North Carolina

Bill Rich, County Manager, reported certain municipalities and other units of local government of the State of North Carolina, as defined in G.S. 160-A-460(2), have agreed to create the Municipal Insurance Trust of North Carolina and have agreed to pool the risks associated with the provision of benefits for their designated benefit plan participants pursuant to, and to be governed by, the provisions of North Carolina General Statutes 160A-460 *et. seq.* (Part 1 of Article 20 of Chapter 160A).

Mr. Rich reported there is a one-time fee of \$400.00 to become a member of the Trust. He reported this insurance plan saved Hyde County 21% or approximately \$147,000.00.

Commissioner Pahl moved to become a member of the Municipal Insurance Trust of North Carolina, adopt "Governing Body Resolution County of Hyde" and "Interlocal Agreement for a Group Self-Insurance Pool for Benefit Risk Sharing". Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Clerk's Note: A copy of "Governing Body Resolution County of Hyde" is attached herewith as Exhibit D and incorporated herein by reference.

Clerk's Note: A copy of "Interlocal Agreement for a Group Self-Insurance Pool for Benefit Risk Sharing" is attached herewith as Exhibit E and incorporated herein by reference.

Personnel Policy Revisions

Tammy Blake, Human Resources Director, reported Hyde County's current Personnel Policy needs to address non-exempt shift employees who work when other non-exempt employees are off. The suggested revisions would not increase the budget. Ms. Blake consulted Sylvia Johnson (Personnel Consulting, Inc.) who is in agreement with recommended changes to the policy. Recommended revisions:

Article IV. Section 18. Overtime for FLSA Non-exempt Employees – B. Hours Worked – 2. If a non-exempt employee is required to work on a County designated or actual holiday, the hours worked on that day will be paid at straight time and the employee will receive the number of hours of sick leave as were actually worked.

Article VI. Section 1. Paid Holidays Observed. When a holiday falls on a Saturday or Sunday, County observation will be on the Friday before or Monday following the holiday. Non-exempt employees who work shifts and are regularly

scheduled on holidays are exempt from the above rule. If a non-exempt employee is required to work on the actual or County observed holiday, the hours worked on that day will be paid at straight time and the employee will receive the number of hours of sick leave as were actually worked.

Article VI. Section 5. Adverse Weather Conditions. Certain employees work in positions that are critical to providing support services to the citizens of the County, regardless of the weather conditions and whether or not the County Departments and Offices are operating. Department Heads designate these essential positions, with approval from the County Manager. Certain Departments, such as the Emergency Management Services, Communications Services, Water Department and the Sheriff's Office are always essential to the operations of the County; others may be based on the needs at the particular time. If a non-exempt employee is required to work after other non-exempt County employees have been dismissed for adverse weather, the additional hours worked on that day will be paid at straight time and the employee will receive the number of hours of sick leave as were actually worked.

Commissioner Tunnell moved to approve Personnel Policy revisions as presented. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Bradford & Mary Swain Refund

Linda Basnight, Tax Administrator, reported it appears that due to a clerical error the Bradford and Mary Swain lot has been over-valued ever since they purchased the lot in 2012 and they have requested a refund of the taxes paid incorrectly.

Ms. Basnight reported as a result of the decision of the 2018 Board of Equalization and Review it was discovered that a lot owned by the Swains was valued incorrectly and the Board agreed to reduce the value from \$210,000.00 to \$82,500.00, which is the value of other similar size improved lots. The comparable used was a lot owned by Virginia Moss. Since the Board of E&R agreed to reduce the value to that of other similar size improved lots, the value of the lot owned by Virginia Moss was used as a basis for the requested refund of the overpayment of taxes for the years 2012 through 2015. Adjustment has already been made to the 2016 and 2017 tax based on the 2018 Board of Equalization and Review decision. Ms. Basnight requested that a refund of property taxes overpaid be issued to Bradford & Mary Swain in the amount of \$1,849.78.

Bill Rich, County Manager, will meet with Linda Basnight, Tax Administrator, to discuss further and negotiate the amount of refund to be made to the Swains. Mr. Rich will present the negotiated refund amount at the next regularly scheduled Hyde County Board of Commissioner meeting at 6:00p.m., on Monday, July 2, 2018, in the Hyde County Government Center, Multi-Use Room, and the Ocracoke Community Center using electronic conferencing equipment.

Signatory Authorization

Commissioner Swindell moved to approve signatory authorization for Kris Noble, County Manager, and Mimi Van Nortwick, Assistant Finance Officer, as requested by Corrinne Gibbs, Finance Officer. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Dare County Fireworks Application

Justin Gibbs, Emergency Services Director, announced Hyde County's July 4th celebration will be held on July 3rd at the NPS Boat Launch, 49 Water Plant Road, Ocracoke, NC. He reported in accordance with NCGS 5414.413 only Hyde County (the jurisdiction where the pyrotechnics show will happen) can authorize the Fire Marshal to sign the Firework – Permit Application.

Commissioner Pahl moved to authorize the Dare County Fire Marshal who is contracted with Hyde County to sign the Firework – Permit Application. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

DHHS/DSS Written Agreements

Laurie Potter, DSS Director, reported Session Law 2017-41 requires all counties to enter into an annual agreement with the Department of Health and Human Services for all social services programs excluding medical assistance (Medicaid). The law requires the agreement to contain certain performance requirements and administrative responsibilities related to the social services program.

Commissioner Swindell moved to approve Chairman Pugh signing "Memorandum of Understanding (MOA) (Fiscal Year 18-19) Between the North Carolina Department of Health and Human Services and Hyde County – A Written Agreement Pursuant to NCGS108A-74, An Act of The North Carolina General Assembly" and, to direct County Attorney Holscher to review the MOA by June 30, 2018. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Ms. Potter also requested Board of Commissioners approval to include "Signing Statement Regarding The Memorandum of Understanding (Fiscal Year 2018-19) Between the North Carolina Department of Health and Human Services Division of Social Services and The Hyde County Department of Social Services". No action was taken.

Bid Opening Meeting for FY2016 and HMGP Rescopement Elevations

Chris Hilbert, Project Manager, Holland Consulting Planners, reported on Friday, June 1, Gary Miller of HCP conducted a bid opening meeting to receive bids from contractors for the FY2016 and HMGP Rescopement Elevation projects. Bids were received from Paul Woolard Construction, B&B Construction, Gilbert Everett Builders, Inc. and Goose Creek Construction. After evaluating the four (4) bids, Gilbert Everett Builders, Inc. of Bath, NC was recommended for the projects based on the lowest bid submitted.

Commissioner Swindell moved to approve awarding the contract for the FY2016 and HMGP Rescopement Elevation projects to Gilbert Everett Builders, Inc. of Bath, NC. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Engineering Services for CDBG-DR – Davis School Roof Repair Project

Commissioner Simmons moved to award the CDBG-DR contract for the Davis School Roof Repair Project to REI Construction, LLC contingent upon approval by the State of the one proposal submitted by REI. Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Sadie Weston Road Tower

Kris Noble, Assistant County Manager, presented request from Blue Wave Development to install an antenna on the tower on Sadie Weston Road, Swan Quarter.

Donnie Shumate, IT Director, recommended moving forward with the Blue Wave Development request.

Commissioner Pahl moved to approve Blue Wave Development's request to install an antenna on the tower on Sadie Weston Road in Swan Quarter pending submission of the required application. Mr. Tunnell seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Fairfield Drainage District

Commissioner Ben Simmons reported Fairfield Drainage District did not complete its \$386,000.00 FEMA grant project by deadline. An extension has been requested. Mr. Simmons asked if in the event an extension is approved that Hyde County pay all related invoices and the County would be reimbursed when FEMA funds are received. No action taken.

Senate Bill on Aquaculture and Natural Resources

Kris Noble, Assistant County Manager, presented report on a Senate Bill on Aquaculture and Natural Resources in North Carolina that would allow a shellfish company to ^{lease} purchase 300 acres in eastern North Carolina waters to grow a successful oyster industry in the State. No action requested.

Gift Engelhard Marine Park

Kris Noble, Assistant County Manager, reported the State gifted the ^{Perquimans} Engelhard Marine Park to Perquimans County and is now interested in gifting the Engelhard Marine Park back to Hyde County.

Commissioner Swindell moved to send a letter to ^{NC MLSP} Perquimans County asking that the Engelhard Marine Park property be gifted back to Hyde County. Mr. Simmons seconded the motion. The motion passed on the following vote: Ayes – Pugh, Pahl, Swindell, Tunnell and Simmons; Nays – None; Absent or not voting – none.

Budget Transfers:

Earl Pugh, Jr., Chairman presented the following budget transfers for Board of Commissioners approval.

- **Administration** – Fiscal Year-End Entries – Departmental \$144,538.75
 - Fiscal Year-End Entries – Capital Reserve \$100,934.50
 - Fiscal Year-End Entries – Tram Project – General Fund .. \$100,934.50
 - Swan Quarter Dike Budget \$ 25,000.00
 - West Quarter Budget \$ 25,000.00
- **Court** – Facility Fees \$ 2,500.00
- **DSS** – Crisis Intervention Payment \$ 2,500.00

- **ADAP** – Fiscal Year Entries \$ 6,000.00
- **Senior Center** – Fiscal Year Entries \$ 1,200.00
- **Utilities** – Fiscal Year Entries – Maintenance & Repairs \$ 26,000.00
 – Fiscal Year Entries – Vehicle Maintenance \$ 8,200.29
- **Solid Waste** – Fiscal Year Entries – Site Improvements & Salaries \$ 20,000.00

Commissioner Swindell moved to approve departmental budget transfers as presented. Mr. Pahl seconded the motion. The motion passed on the following vote: Ayes – Pahl, Pugh, Simmons, Tunnell and Swindell; Nays – None; Absent or not voting – none.

Management Reports:

Chairman Earl Pugh, Jr. – attended two Airport Board meetings, NCACC Legislative Assembly, Trillium meeting in Washington, a shellfish industry meeting and the 23rd Annual Seafood Dinner in Raleigh. Mr. Pugh thanked Manager Rich for his service to Hyde County.

Vice-chair Barry Swindell – continues to develop a Recreation Committee and is attending Little League games.

Commissioner Dick Tunnell – thanked Manager Rich for his service to Hyde County.

Commissioner Ben Simmons – attended the funeral of Engelhard Volunteer Fire Department Chief Tony Spencer. Mr. Simmons reported Tony Spencer was instrumental in grants awarded to the County fire departments.

Commissioner Tom Pahl – participated in a Tourism Study on Ocracoke, attended Ocracoke Civic and Business Association, Ocracoke Township Tourism Development Authority and Mosquito Control Board meetings. Mr. Pahl attended the NC Land Trust Fundraiser. He reported on the Island Inn project progress.

County Manager Bill Rich – attended meetings on the new Ocracoke EMS station and reported the lot appraised for \$110,000.00. Mr. Rich reported tax issues are significant and recommended it be kept under control.

Assistant County Manager Kris Noble – attended meetings where alligator hunting and oyster farming was discussed. She reported on Farragut Software tax conversion, CAMA permitting, maintenance at the AWAS system on the Island, local food resources and the Opioid Task Force. She also reported Hyde County has received \$1.7 million FMA and CDBG funding and she plans to apply for another \$1.5 million. She will be starting business plans with County departments.

Public Comments:

Hearing no comments from the public, Chairman Pugh continued the meeting.

Closed Session (none)

Adjourn

Commissioner Simmons moved to adjourn the meeting. Mr. Swindell seconded the motion. The motion passed on the following vote: Ayes – Pahl, Pugh, Tunnell, Swindell and Simmons; Nays – None; Absent or not voting – None.

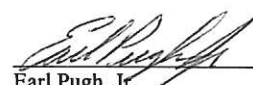
The meeting adjourned at 9:05p.m.


Respectfully submitted:

Minutes approved on the 2nd day of July, 2018.

Attest:


 Lois Stotesberry, CMC, NCACC
 Clerk, Hyde County Board of Commissioners


 Earl Pugh, Jr.
 Chair, Hyde County Board of Commissioners



Attachments:

Hyde County CDBG Disaster Recovery Program

Exhibit A: "Resolution Authorizing County Manager To Reconcile Department Budgets"

Exhibit B: "Resolution Relating To The Budget For Fiscal Year 2018-2019"

Exhibit C: "An Ordinance Of The Board of County Commissioners of Hyde County, North Carolina, Relating To The FY2018-2019 Budget"

Exhibit D: "Governing Body Resolution County of Hyde"

Exhibit E: "Interlocal Agreement for a Group Self-Insurance Pool for Benefit Risk Sharing"

Board of Commissioners

Earl Pugh, Jr., Chair
Barry Swindell, Vice-Chair
Benjamin Simmons, III
Tom Pahl
Dick Tunnell

COUNTY OF HYDE

30 Oyster Creek Road
PO Box 188
SWAN QUARTER, NORTH CAROLINA 27885
252-926-4400
252-926-3701 Fax

Bill Rich
County Manager

Fred Holscher
County Attorney

Lois Stotesberry, CMC, NCCCC
Clerk to the Board



Resolution Authorizing County Manager to Reconcile Department Budgets

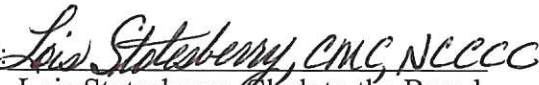
WHEREAS, in accordance with the FY2018-2019 Budget Ordinance the County Manager, with Board of Commissioners authority, will reconcile departmental accounts prior to year-end closeout.

NOW, THEREFORE, BE IT RESOLVED that the Hyde County Board of Commissioners authorizes the County Manager to reconcile departmental budgets for year-end closeout under the following conditions:

- transfer amounts between objects of expenditure within a department except salary amounts without limitations
- transfer amounts up to \$10,000 between departments of the same fund with an official report of such transfers to be made available for approval at the next meeting of the Board of Commissioners
- not transfer any amounts between funds nor from contingency within any fund
- assign legal costs to departments based upon the legal issue involved

Adopted this the 5th day of June, 2018, in Hyde County, North Carolina.


Earl Pugh, Jr., Chairman
Hyde County Board of Commissioners

Attest: 
Lois Stotesberry, Clerk to the Board
Hyde County Board of Commissioners





**BOARD OF COMMISSIONERS
THE COUNTY OF HYDE
NORTH CAROLINA**

**RESOLUTION
RELATING TO THE BUDGET
FOR FISCAL YEAR 2018-2019**

WHEREAS, the Board of County Commissioners desires to establish a detailed fiscal year budget (July 1, 2018 through June 30, 2019) for the County of Hyde, North Carolina, and;

WHEREAS, the Board of Commissioners is adopting a Budget Ordinance for the July 1, 2018-June 30, 2019 fiscal year and said Ordinance incorporates this Resolution into the Ordinance as the Budget for Hyde County for this period;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby adopts the following goals regarding items contained within the attached "FY2018-2019 Hyde County Budget:"

1. The Hyde County Board of Commissioners shall continue to make economic development projects related to value added agriculture, commercial fishing, aquaculture and tourism high priority with a goal of creating quality job opportunities and increasing the tax base.
2. The Hyde County Board of Commissioners shall continue to support community development projects for the betterment of our citizens.
3. The Hyde County Board of Commissioners shall continue to support the expansion of infrastructure services to the citizens of the County.
4. The Hyde County Board of Commissioners shall continue to expect a high level of customer service for citizens in all interactions with County government.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby adopts the following County Manager's objectives regarding items contained within "FY2018-2019 Hyde County Budget", and additional expectations and commitments as follows:

1. Continue to maintain a healthy unassigned fund balance.
2. Operate within the adopted budget with an emphasis on cost savings and reduced expenses.
3. Continue to support cooperative efforts with US Fish and Wildlife, North Carolina Wildlife Resources Commission, the National Park Service, North Carolina Department of Transportation/Ferry Division, and Dare County to increase eco-friendly tourism on both the Mainland and Ocracoke Island.
4. Continue developing a public private partnership for the Mattamuskeet Lodge.
5. Maintain a highly developed EMS Department.
6. Support established Beaufort County Community College satellite campus and Beaufort-Hyde-Martin Library at the Davis Center.
7. Continue to work with our Lobbyist to maintain total communication with our state and federal elected officials.

8. NO INCREASES in ferry tolls. Establish State funding of all new ferries and promote possible elimination of all ferry tolls.
9. Continue total support of passenger ferry service between Hatteras and Ocracoke, and the corresponding infrastructure that goes along with this adventure. Continue exploration for restoration of the short route.
10. Implement a debit/credit billing system in the Tax Office in conjunction with our new Farragut software system.
11. Increase Hyde County tax collection rate by two percentage points
12. Continue economic development through the Revolving Loan Fund
13. Continue to develop an internal self-sustaining IT department which will become a profit center for Hyde County
14. Create a non-emergent ambulatory service through our EMS on Hyde's mainland which will be self-sustaining and will also become a profit center for Hyde County
15. Stay active in the community via Meals on Wheels, Senior Center, 4-H Center and continue our support of Hotline, Food Bank, Chamber, Engelhard Recreation Park, and Ocracoke Community Park.
16. Use FEMA lands for community and County use; gardens, vineyards, and planted trees
17. Continue to be responsible stewards of our magnificent county

BE IT FURTHER RESOLVED that any narrative language contained in the attached budget document and this Resolution is subordinate to any language in conflict with the Budget Ordinance in which this Resolution is referenced but that any figures and narrative language contained in this Resolution or the attached budget document is otherwise binding; and,

BE IT FURTHER RESOLVED that a copy of this resolution, shall be recorded in the minutes of the Board of Commissioners but that the original version of the attached "FY2017-2018 Hyde County Budget" with the Budget Officer's initials on each page shall be kept on file in the office of the Clerk to the Board of County Commissioners.

Duly adopted the 5th day of June, 2018.

Attested by:

Lois Stotesberry, Clerk
Hyde County Board of Commissioners


Earl Pugh, Jr., Chair
Hyde County Board of Commissioners



Ordinance No. 2018-06-01

**AN ORDINANCE OF THE BOARD OF COUNTY
COMMISSIONERS OF HYDE COUNTY, NORTH CAROLINA,
RELATING TO THE FY2018-2019 BUDGET**

Be It Ordained By the Board of Commissioners of Hyde County, North Carolina:

ARTICLE I. BUDGET RESOLUTION

This Ordinance hereby incorporates by reference in its entirety Resolution titled "A Resolution of the Board of Commissioners of Hyde County, North Carolina Establishing a Budget for the County of Hyde for FY2018-2019", adopted by the Board of Commissioners on June 04, 2018, and all language in said Resolution is incorporated into this Ordinance as if it were included within the body of this Ordinance. Said Resolution may hereafter be referred to as the "Budget Resolution".

ARTICLE II. GENERAL FUND

SECTION 1 – Appropriations: For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the General Fund for the operation of county government and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019 in accordance with the Budget Resolution and the chart of accounts heretofore established for this county:

General Government:

Governing Board.....	\$ 28,216.56
Administration.....	931,662.69
HRA.....	140,000.00
IT.....	94,144.16
Elections.....	80,564.61
Drainage.....	75,062.60
Finance.....	172,604.69
Tax Supervisor.....	201,421.38
Legal.....	40,000.00
Register of Deeds.....	184,937.66
Planner.....	101,788.75
Davis School Expenses.....	13,200.00
Public Building Maintenance.....	411,938.44
Court Facilities.....	10,000.00
Various Grants.....	80,000.00
Human Resources.....	71,538.30

Public Safety:



Sheriff.....	\$	1,275,249.81
Jail.....		113,750.00
Alcoholic Rehabilitation.....		1,800.00
Emergency Management.....		210,366.38
Volunteer Fire Departments.....		168,750.00
State Forestry Program 35%.....		70,366.00
Inspections.....		144,250.61
Emergency Medical Services.....		1,607,213.79
Medical Examiner.....		3,000.00
Transportation:		
Airport.....	\$	93,000.00
Elderly & Handicapped Transportation.....		98,990.00
Environmental Protection:		
Solid Waste.....	\$	942,133.31
Soil Conservation Administration.....		144,691.22
Economic & Physical Development:		
Cooperative Extension.....	\$	147,596.00
Juvenile Crime Prevention.....		54,923.00
Human Services:		
Health.....	\$	362,543.95
Environmental Health.....		61,356.86
Food & Lodging.....		48,064.25
Family Planning - State.....		131,847.69
Maternal Health-State.....		54,852.43
Health Promotion – Risk Reduction.....		42,188.00
Immunization Action Plan.....		6,792.01
Child Health – State.....		79,573.42
Women, Infants & Children.....		26,156.61
Communicable Diseases.....		30,868.00
Public Management Entity.....		10,394.46
Breast & Cervical Cancer.....		11,789.80
Adult Health.....		111,702.58
Private Well Program.....		2,789.99
Bioterrorism Response Preparedness.....		35,098.57
Hyde Transit.....		16,000.00
Child Services Coordinator.....		13,175.00
Pregnancy Care Management.....		13,238.40
Mental Health.....		10,915.00
KBR Interpreter Outreach.....		64,790.00
Vidant-Health Promotion.....		19,098.20
PH-Farmers Market.....		1.001.04

Social Services	
Administration.....	\$ 1,141,449.80
Title III.....	44,346.00
SAD-SAA.....	50,000.00
Medicaid.....	283,278.00
Public Service Assistance.....	2,500.00
CAPS Program.....	27,871.07
Day Care Support Services.....	80,000.00
Mattamuskeet Opportunities.....	140,190.75
Other Human Services	
Elderly Nutrition.....	\$ 33,723.00
Veteran Service Officer.....	10,479.68
Cultural Arts:	
Beaufort County Arts Council.....	\$ 1,000.00
BHM Regional Library.....	51,000.00
Education:	
Current Expense.....	\$ 1,669,458.00
Capital Outlay Sales Tax.....	330,000.00
QZAB Payment.....	55,964.58
QSCB Payment.....	215,072.82
Transfers to Other Funds:	106,945.72
Contingency.....	\$ -0-
TOTAL GENERAL FUND	\$13,110,675.63

SECTION 2 – Revenues: For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Ad Valorem Taxes.....	\$ 7,340,435.00
Sales Tax.....	1,580,000.00
Other Tax and License.....	141,061.70
Unrestricted Intergovernmental.....	158,250.00
Restricted – Other.....	340,421.00
Restricted – Social Services.....	1,257,934.40
Restricted – Health.....	736,694.00
Permits and Fees.....	166,485.00
Sales and Service.....	394,900.00
Investment Earnings	20,000.00
Miscellaneous.....	216,360.00
Transfers and Fund Balance.....	758,134.53



TOTAL GENERAL FUND REVENUE**\$13,110,675.63****ARTICLE III. HYDE COUNTY WATER/SEWER SYSTEM FUND**

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Hyde County Water System Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures..... \$1,600,000.00

For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Hyde County Water System Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

Sale of Water.....	\$1,001,000.00
Connection Fees.....	3,000.00
Prison Water Charges.....	262,000.00
Prison Sewer Charges.....	300,000.00
Interest Earned.....	4,000.00
Penalties & Interest.....	18,000.00
Meter Installation.....	10,000.00
Miscellaneous.....	2,000.00

\$1,600,000.00

ARTICLE IV. OCRACOCKE MOSQUITO TAX FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Ocracoke Mosquito Tax Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures..... \$ 48,383.00

For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Ocracoke Mosquito Tax Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Prior Tax.....	\$ 2,000.00
DMV Prior.....	50.00
Current Tax.....	45,333.00
DMV Current.....	<u>1,000.00</u>



\$ 48,383.00

ARTICLE V. FINES AND FORFEITURES

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Fines and Forfeitures Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Court..... \$ 56,500.00

For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Fine and Forfeitures Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Court..... \$ 56,500.00

ARTICLE VI. CAPITAL RESERVE FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Capital Reserve Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Transfers \$ 5,000.00

For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Capital Reserve Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Interest on Investment..... \$ 5,000.00

ARTICLE VII. WEST/QUARTER FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the West/Quarter Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures..... \$ 25,290.00

BR

For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the West/Quarter Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Prior Taxes.....	\$ 140.00
Current Taxes.....	25,000.00
Interest Earned.....	<u>150.00</u>
	\$ 25,290.00

ARTICLE VIII. REVALUATION

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Revaluation Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures.....	\$ 10,500.00
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For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Revaluation Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Appropriated from General Fund.....	\$ 10,000.00
Interest on Investment.....	<u>500.00</u>
	\$ 10,500.00

ARTICLE IX. 4-H FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the 4-H Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures.....	\$ 22,780.00
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For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the 4-H Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Fees Collected.....	\$ 22,780.00
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ARTICLE X. OCRACOKE OCCUPANCY TAX FUND

BR

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Ocracoke Occupancy Tax Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures.....	\$ 503,617.00
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For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Ocracoke Occupancy Tax Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Occupancy Tax – Ocracoke.....	\$ 500,117.00
Interest Earned.....	<u>3,500.00</u>
	\$ 503,617.00

ARTICLE XI. MAINLAND OCCUPANCY TAX FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Mainland Occupancy Tax Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures.....	\$ 8,000.00
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For purposes of summary only as the actual figures are contained in the Budget Resolution, the following revenues are hereby appropriated in the Mainland Occupancy Tax Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Occupancy Tax Mainland.....	\$ 8,000.00
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ARTICLE XII. AIRPORT IMPROVEMENT FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Airport Improvement Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures	\$ 160,000.00
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BR

For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Airport Improvement Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Grant	\$ 144,000.00
Appropriation from General Fund	<u>16,000.00</u>
	160,000.00

ARTICLE XIII. SWAN QUARTER DIKE FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Swan Quarter Dike Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures	\$ 22,250.00
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For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Swan Quarter Dike Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Current Taxes	\$ 22,250.00
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ARTICLE XIV. SENIOR CENTER FUND

For purposes of summary only as the actual figures are contained in the Budget Resolution, the following amounts are hereby appropriated in the Senior Center Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Expenditures	\$ 123,245.72
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For purposes of summary only as the actual figures are contained in the Budget Resolution, it is estimated that the following revenues will be available in the Senior Center Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

Albemarle Commission.....	\$ 9000.00
Bldg Rent – Senior Center.....	400.00
Appropriation from General Fund	106,845.72
Grants.....	6,000.00
Fund Raisers.....	<u>1,000.00</u>
	\$ 123,245.72

BR

ARTICLE XV. SCHOOL APPROPRIATIONS

SECTION 1 – The appropriations to the Board of Education, first, shall be made from any such funds which are dedicated to the use of the schools, and secondly, shall be made from the general county fund revenues to the extent necessary to meet the approved appropriation.

SECTION 2 – For purposes of summary only as the actual figures are contained in the Budget Resolution, the total appropriation for Current Expense from the General Fund is \$1,669,458.00

SECTION 3 – Except as otherwise provided in this Budget Ordinance or the Budget Resolution, this Budget Ordinance hereby incorporates by reference in its entirety the “PROPOSED BUDGET OF THE HYDE COUNTY BOARD OF EDUCATION FOR THE FISCAL YEAR BEGINNING JULY 1, 2018 and ENDING JUNE 30, 2019” as presented to the Board of Commissioners and all language in said Proposed Budget is incorporated into this Ordinance as if it were included within the body of this Ordinance. Said Proposed Budget may hereafter be referred to as the “School Budget”.

ARTICLE XVI. OTHER PROVISIONS

SECTION 1 – The Hyde County Manager in his capacity as Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- (a) He may transfer amounts between objects of expenditure within a department, except salary amounts, without limitations.
- (b) He may transfer amounts up to \$10,000 between departments of the same fund with an official report on such transfers at the next regular meeting of the Board of Commissioners.
- (c) He may not transfer any amounts between funds nor from any contingency appropriation within any fund.
- (d) He will assign legal costs to departments based upon the legal issue involved.



SECTION 2 - All legal outstanding encumbrances at June 30, 2017 are hereby carried forward and re-appropriated as an amendment to the budget for the fiscal year beginning July 1, 2018 and ending June 30, 2019.

SECTION 3 - Upon acceptance the annual audit for the fiscal year 2017-18 by the County Commissioners so long as such acceptance prior to June 30, 2019, the County Manager shall direct that fifty percent (50%) of the total cash revenue received in the General Fund that is in excess of the total expenses and current liabilities (excluding debt with a maturity on or after July 1, 2018) be transferred from the Unappropriated Reserve in the General Fund to the Capital Reserve Fund. The County Manager shall give a report to the Commissioners of the amount transferred at the next Regular meeting of the Board following the date of such transfer.

ARTICLE XX. TAX LEVY


SECTION 1 – There is hereby levied at the rate of \$0.77 per One Hundred Dollar (\$100) valuation of property listed for taxes as of January 1, 2018, for the purpose of raising the revenue listed in the General Fund, Article II., Section 2, of this Ordinance. Ocracoke Mosquito Control Tax Rate is levied at the rate of \$0.01 per One Hundred Dollar (\$100) valuation of property listed.

SECTION 2 – The rate of tax as shown in Sections 1 above is based upon a total valuation of property for the purpose of taxation of \$905,398,842 and vehicles of \$40,000,000 and an estimated collection rate of 95.56% for real property and 100.00% for vehicles.


A public hearing on this Budget Ordinance was held on June 5, 2018.

This Budget Ordinance was adopted on the 5th day of June, 2018.

HYDE COUNTY BOARD OF COMMISSIONERS


Earl Pugh Jr., Chairman

ATTEST:


Lois Stotesberry, Clerk to the Board



Board of Commissioners

Earl Pugh, Jr., Chair
Barry Swindell, Vice-Chair
Benjamin Simmons, III
Tom Pahl
Dick Tunnell

COUNTY OF HYDE

30 Oyster Creek Road
PO Box 188
SWAN QUARTER, NORTH CAROLINA 27885
252-926-4400
252-926-3701 Fax

Bill Rich
County Manager

Franz Holscher
County Attorney

Lois Stotesberry, CMC, NCCCC
Clerk to the Board



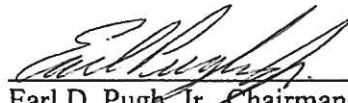
GOVERNING BODY RESOLUTION COUNTY OF HYDE

WHEREAS, certain municipalities and other units of local government of the State of North Carolina, as defined in G.S. 160A-460(2), have agreed to create the MUNICIPAL INSURANCE TRUST OF NORTH CAROLINA and have agreed to pool the risks associated with the provision of benefits for their designated benefit plan participants pursuant to, and to be governed by, the provisions of North Carolina General Statutes 160A-460 et seq. (Part 1 of Article 20 of Chapter 160A);

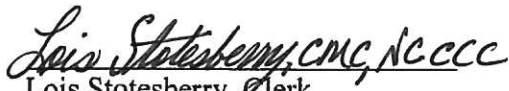
NOW, THEREFORE, BE IT RESOLVED that the above named unit of local government elects to become a member of the MUNICIPAL INSURANCE TRUST OF NORTH CAROLINA upon the terms and conditions stated in the "Interlocal Agreement for a Group Self-Insurance Pool For Benefit Risk Sharing," with such future policy renewals constituting a continuing ratification of this decision to be a member of the Trust and abide by the terms and conditions of the Interlocal Agreement.

NOW, THEREFORE, BE IT RESOLVED that the duly authorized officials of the above named unit of local government are directed to execute in the name of said unit the "Interlocal Agreement for a Group Self-Insurance Pool For Benefit Risk Sharing" a copy of which is attached to and made part of this Resolution.

I certify that this is a true and correct copy of this Resolution, duly adopted by the governing body on the 5th day of June, 2018, as it appears of record in its official minutes.


Earl D. Pugh, Jr., Chairman
Hyde County Board of Commissioners

Attest:


Lois Stotesberry, Clerk
Hyde County Board of Commissioners



**INTERLOCAL AGREEMENT FOR A
GROUP SELF-INSURANCE POOL
FOR BENEFIT RISK SHARING**

This Agreement, made and entered into in duplicate originals this 5th day of June, 2018, by and between all the parties who are now, or may hereafter become, members of the Municipal Insurance Trust of North Carolina (hereinafter "Trust"):

WITNESSETH:

WHEREAS, certain municipalities and other units of local government of the State of North Carolina have agreed to pool the risks associated with the provision of benefits for their designated benefit plan participants (hereinafter "participants") pursuant to, and to be governed by, the provisions of North Carolina General Statutes 160A-460 *et seq.* (Part 1 of Article 20 of Chapter 160A); and

WHEREAS, the members of the Trust have agreed upon designation of a Board of Trustees to direct the affairs of the Trust, to adopt rules, regulations, policies, and bylaws for implementing and administering the Trust, and to pass upon the admissibility of future members of the Trust; and

WHEREAS, the members have designated the North Carolina League of Municipalities as Administrator of the Trust, subject to the provisions of this Agreement and the policies adopted by the Board of Trustees; and

WHEREAS, by this Agreement the Trust will undertake to discharge, solely from the assets of this Trust, by payment, any claims for benefits covered by the Trust's plan of insurance and benefits, which awards shall have been authorized by the rules of the Trust, and when claims are otherwise determined to be due as a result of a court judgment or settlement agreement; and

WHEREAS, the members of the Trust agree to pay premiums and/or contributions based upon appropriate classifications, rates, loss experience, and other criteria adopted by the Trustees, out of a portion of which the Trust will establish and maintain a fund for the payment of the claims of participants of members, and further, that the members covenant and agree there will be no disbursements out of this fund by way of dividends or distribution of accumulated reserves to the respective members, except at the discretion of the Trustees.

WHEREAS, the members of the Trust, through action of their respective governing bodies, have elected to comply with the conditions of this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants, promises, and obligations herein contained, which are given to and accepted by each member hereof to the other, the parties hereto agree as follows:

SECTION I. PURPOSE OF AGREEMENT; COMPOSITION OF BOARD OF TRUSTEES

The purpose of the Trust established by the signatories hereto is to allow members to jointly provide health benefits, including but not limited to medical, dental, vision, life, accident, disability, and other related insurance benefits, for their participants and to provide for the risk sharing associated therewith. To this end, the Trust shall be governed by a Board of Trustees made up of eleven (11) officials or employees of units of local government. Trustees shall be appointed for three (3) year overlapping terms by the Board of Directors of the North Carolina League of Municipalities and shall serve no more than two consecutive terms. No individual shall serve concurrently on the Board of Trustees and the League's Board of Directors. In addition, the Executive Director of the North Carolina League of Municipalities shall serve as an ex-officio, non-voting member of the Board of Trustees; the ex-officio position shall not have a committee assignment, nor shall the position serve as an officer of the Board of Trustees.

SECTION II. TRUSTEES' POWERS, DUTIES, LIABILITY AND INDEMNITY

The Trustees shall have the following powers and duties, in addition to those set forth elsewhere in this Agreement:

1. To establish guidelines for membership in the Trust;
2. To establish the terms and conditions of coverage, including underwriting criteria and exclusions from coverage;
3. To ensure that all valid claims are promptly paid;
4. To establish, operate, and enforce rules, regulations, policies, and bylaws as between the individual members of the Trust and the Trust;
5. To enter into agreements with such persons, firms, or corporations as it deems appropriate to adjust claims; promote membership in the Trust; provide actuarial and underwriting services; defend against claims and lawsuits; provide accounting services; effect stop-loss coverage in such aggregate and specific amounts as is deemed appropriate; invest the assets of the Trust; provide wellness services and other risk management services for the Trust and member units; maintain records and accounts; and provide any other service necessary or desirable for the sound operation of the Trust;
6. To lease or rent real and personal property it deems to be necessary;
7. To borrow or raise monies for the purpose of the Trust to the extent that the Trustees shall deem desirable upon such terms and conditions as the Trustees in their absolute discretion may deem desirable or proper, and for

any sum so borrowed to issue their promissory note as Trustees and to secure the repayment thereof by pledging all or any part of the pool; and no person or entity lending money to the Trustees shall be bound to see to the application of the money lent or to inquire into the validity, expediency, or propriety of any such borrowing;

8. To rate individually any member unit with rates different from the group rates when the loss experience of the unit warrants such individual rating, in the discretion of the Trustees;
9. To take measures to maintain claim reserves equal to known incurred losses and loss adjustment expenses and to maintain an estimate of incurred but not reported losses; and
10. To take all necessary precautions to safeguard the assets of the Trust.

The Trustees shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties hereunder. The members agree that the Trustees shall not be liable for any mistake of judgment or other action made, taken, or omitted by any employee, agent, contractor, subcontractor, or independent contractor selected with ordinary care and reasonable diligence; nor for loss incurred through investment of Trust money or failure to invest. No Trustee shall be liable for any action taken or omitted by any other Trustee. The Trustees shall not be required to give a bond or other security to guarantee the faithful performance of their duties hereunder.

The members of the Trust agree that, for the payment of any claim against the Trust or the performance of any obligation of the pool hereunder, resort shall be had solely to the assets of the Trust, and neither the Trustee nor the Administrator shall be liable therefor. Further, the Trust shall indemnify and hold harmless the Trustees against any and all claims, suits, actions, debts, damages, costs, charges, and expenses (including but not limited to court costs and attorneys' fees) and against all liability, losses, and damages of any nature whatever, that the Trustees shall or may at any time sustain, or be put to, by reason of the exercise of their power and in the performance of their duties hereunder, or by reason of any mistake of judgment or other action made, taken, or omitted by any employee, agent, contractor, subcontractor, or independent contractor, or for loss incurred through investment of Trust money or failure to invest.

SECTION III. PAYMENT OF CLAIMS

The members of the Trust agree that, for the payment of any claim against the Trust or the performance of any obligation arising hereunder, resort shall be had solely to the assets of the Trust, and neither the Trustees nor the Administrator shall be liable therefor. Accordingly, lawful claims will be paid from the assets of the Trust pursuant to the types and levels of coverage established by the Board of Trustees. The Board of Trustees shall establish a schedule of types and monetary levels of coverages for which the Trust shall be responsible on behalf of its members, including provisions for levels of coverage for which the members shall be individually re-

sponsible. Such types and levels of coverage may vary according to population classifications of members, mutual agreement of the Trust and a member, or such other criteria as may be established by the Trustees. The types and level of coverage shall be shown on a plan of insurance and benefits provided to each member. The Trust shall pay all claims (less the applicable co-pays or co-insurance) for which each member incurs liability during each member's period of membership except where a member has individually retained the risk or where the risk is not covered, and except for amount of claims above the coverage provided by the Trust. The schedule so established may, from time to time, be amended by the Trustees (but not during any coverage period) to sustain the financial integrity of the Trust or to reflect the desires of the members as determined by the Trustees.

SECTION IV. MUTUAL COVENANT OF RISK SHARING

The members intend this Agreement as a mutual covenant of risk sharing and not as a partnership. No member by reason of being a member of the Trust and contributing to the pool shall be liable to the Trust, to any other member, or to any claimant, except for the payment of the premiums and/or contributions provided for in its application for membership and joinder in this Trust and for any necessary additional assessments levied by the Trustees to offset a claims fund deficiency.

SECTION V. ADMINISTRATOR

The North Carolina League of Municipalities, an unincorporated association with offices at 215 North Dawson Street, Raleigh, North Carolina, 27603, is designated as the Administrator of the Trust. Subject to the services and sponsorship agreement between the Administrator and the Trust, the Administrator shall provide day-to-day management of the Trust and shall have the authority to contract with third parties for provision of services. The Administrator may establish offices where necessary within the State of North Carolina and employ staff to carry out the Trust's purpose. The Administrator shall deposit to the account of the Trust at any financial institution or financial institutions designated by the Trustees all premiums and/or contributions as collected and such monies shall be disbursed and/or invested only as provided by the rules, regulations, policies, and bylaws of the Trustees. The Administrator may enter into financial services agreements with financial institutions and issue checks in the name of the Trust. The Administrator shall receive such compensation as shall be determined from time to time by written agreement with the Trustees.

SECTION VI. ADMISSION TO MEMBERSHIP; SUSPENSION & EXPULSION

All members of the Trust hereby agree that the Trustees may admit as members of this Trust only the units of local government set forth in North Carolina General Statutes 160A-460 *et seq.* (Part 1 of Article 20 of Chapter 160A). The Trustees shall be sole judge of whether or not an applicant shall be admitted to membership. Except as otherwise provided in Section VII (g) of this Agreement, a member may be suspended or expelled by the Trustees from the Trust only

after forty-five (45) days' notice has been delivered to the member in accordance with Section XVI of this Agreement. No payment shall be required of the Trust as a result of any accident to or illness of a participant of the suspended or expelled member occurring after forty-five (45) days' notice has been delivered to the member in accordance with Section XVI of this Agreement.

<p>SECTION VII. RULES, REGULATIONS, POLICIES, AND BYLAWS; MEMBERS' RESPONSIBILITIES</p>

The rules, regulations, policies, and bylaws for the administering of the Trust and the admission and expulsion or suspension of members shall be promulgated by the Trustees. In addition, each member of the Trust agrees as follows:

- (a) To make prompt payment of all premiums and/or contributions as required by the Trustees;
- (b) To (and they do hereby) appoint the Trustees and Administrator as its agent and attorney-in-fact, to act in its behalf and to execute all contracts, reports, waivers, agreements, stop-loss contracts, and service contracts; to make or arrange for payment of claims and all other things required or necessary, as covered by the terms of this Agreement and the rules, regulations, policies, and bylaws as now provided or as hereafter promulgated by the Trustees;
- (c) To permit the Trust to defend in the name of and on the behalf of the members any suits or other proceedings which may at any time be instituted against them for which the Trust may be obligated to make payment. It is agreed that the Trust shall make all final decisions regarding the legal defense of claims, and shall have absolute and conclusive authority with regard to defense, settlement, and payment of claims. It is agreed that the independent settlement or payment of any claim by or on behalf of a member without approval of the Trust shall be grounds for expulsion of the member from the Trust;
- (d) To cooperate in all respects with the Trust, the Trustees, the Administrator, and any contractors of the Trust in carrying out the purposes of this Agreement;
- (e) To pay any assessment duly levied by the Trustees under the terms of this Agreement. If a member cancels or withdraws from the Trust, the member shall pay its pro rata share of any assessment relating to the member's period of enrollment;

- (f) In the event of the payment of any loss by the Trust under this Agreement, the Trust shall be subrogated to the extent of such payment to all the rights of the member against any person or other entity legally responsible for damages for such loss, and in such event the member agrees to render all reasonable assistance to affect recovery;
- (g) Risk sharing by the Trust under the terms of this Agreement shall begin upon payment of the premium and/or contributions by the member to the Trust. Risk sharing and insurance purchased from this Trust under the terms of this Agreement shall expire and be cancelled automatically for nonpayment of premiums and/or contributions, and a member may be expelled from the Trust upon thirty (30) days' prior written notice by the Trustees, the Administrator, or their designee delivered to the member in accordance with Section XVI of this Agreement specifying the date that cancellation shall be effective. No payment shall be required of the Trust as a result of any covered loss of a participant of the expelled member occurring after thirty (30) days' notice has been delivered to the expelled member in accordance with Section XVI of this Agreement; and
- (h) In order that an adequate reserve may be maintained, the members further agree that the Trustees shall have the right to assess the members pro-rata in such amounts as will be sufficient to maintain at all times a minimum reserve, equal to at least twice the monthly premium and/or contributions for the insurance and benefits provided by the plan. Should a member fail to pay any assessment as provided for in this Section within thirty (30) days of the assessment date, all interest and claim of such defaulting member in and to the Trust shall automatically cease.

SECTION VIII. ALLOCATION OF MONIES

The Trustees are authorized to set aside from the contributions collected from members a reasonable sum for the operating and administrative expenses of the Trust. Monies in excess of those required to fulfill the purposes, costs, and other obligations of the Trust will be accumulated in the Trust or distributed to the members at the discretion of and in the manner provided by the Trustees.

SECTION IX. FISCAL YEAR; CONTINUING CONTRACT; WITHDRAWAL OF MEMBERS SUBJECT TO PROVISION OF 30 DAYS' WRITTEN NOTICE TO ADMINISTRATOR; FEE IMPOSED FOR FAILURE TO PROVIDE 30 DAYS' WRITTEN NOTICE OF WITHDRAWAL

The Trust shall operate on a fiscal year from 12:01 a.m., July 1st to midnight on June 30 of the succeeding year (the "Trust Year"). Application for membership, when approved in writing by the Trustees or their designee, shall constitute a continuing contract for each succeeding

Trust Year unless cancelled by the Trustees, or unless the member shall have resigned or withdrawn from the Trust by having written notice delivered to the Administrator on or before May 30 (i.e., the written notice must be delivered to the Administrator in accordance with Section XVI of this Agreement thirty (30) days prior to the last day, June 30, of the Trust Year). Failure to provide thirty (30) days' written notice shall subject the member to an exiting fee constituting two percent (2%) of the premium for that Trust Year.

SECTION X. MEMBERS BOUND BY AGREEMENT; TERMINATION PERMITTED ONLY AT END OF FISCAL YEAR; FINAL ACCOUNTING

Any member who formally applies for membership in this Trust and is accepted by the Trustees shall thereupon become a party to this Agreement and be bound by all of the terms and conditions hereof, and such application shall constitute a counterpart of this Agreement. Cancellation of the Agreement on the part of any member, or withdrawal from membership, shall be permitted only at the end of a fiscal or Trust year. A terminating member is entitled to a final accounting when all incurred claim are concluded, settled, or paid.

SECTION XI. EXTENT OF INSURANCE BENEFIT TO PARTICIPANTS

No participant of a member or any person claiming by or through or under such participant shall have any right, title, or interest in or to the Trust or any part thereof: provided, however, that any participant who shall be actually covered by the policies of insurance of any person claiming by or through such participant shall, subject to the terms and conditions of the plan of insurance and benefits under which the coverage is afforded, be entitled to the insurance benefits in the amount and to the extent provided.

SECTION XII. INTENTION OF INDEFINITE OPERATION; RESERVATION OF RIGHT TO TERMINATE TRUST; REVERSION OF MONIES OR OTHER ASSETS UPON TERMINATION

This Trust has been established with the bona fide intention that it shall be continued in operation indefinitely and that the premiums and/or contributions to the pool shall continue for an indefinite period. However, the Trustees reserve the right at any time to terminate the Trust by a written instrument to that effect executed by the Trustees. In the event of such termination, member premiums and/or contributions (other than duly authorized assessments) shall cease as of the date of termination and the assets then remaining in the pool shall continue to be used and applied, to the extent available, for the

- (a) payment of benefits to participants with respect to claims arising prior to such termination and administrative and other expenses and obligations arising prior to such termination; and

- (b) payment of reasonable and necessary expenses incurred in such termination.

Any monies or other assets thereafter remaining in the pool shall revert to the members of the Trust as of the date of termination pro-rata to the annual premiums and/or contributions of said members paid in the year of termination. Upon such termination, the Trustees shall continue to serve for such period of time and to the extent necessary to effectuate termination of the Trust.

SECTION XIII. AMENDMENT OF AGREEMENT

This Agreement may be amended by an agreement executed by those members constituting a majority in paid-in dollar volume of contributions to the Trust during the current Trust Year. In lieu of this amendment procedure, the members hereby appoint the Board of Directors of the North Carolina League of Municipalities as their agents to make any amendments to this Agreement which would not fundamentally alter the contemplated arrangement. For purposes of illustration, and not limitation, an amendment to increase or decrease the number of members of the Board of Trustees or their terms shall not be construed as a fundamental alteration of the arrangement, provided that the current term of a member may not be terminated by any such amendment. Written notice of any amendment proposed for adoption by the Board of Directors of the North Carolina League of Municipalities shall be delivered to each member in accordance with Section XVI of this Agreement not less than 30 days in advance. Written notice of amendments finally adopted by the Board of Directors of the North Carolina League of Municipalities shall be delivered to each member in accordance with Section XVI of this Agreement not more than 30 days after adoption.

SECTION XIV. HEADINGS

The headings of various sections and subsections of this Agreement have been inserted for the convenience of reference only and shall not be construed as modifying, amending, or affecting in any way the express terms and provisions of this Agreement.

SECTION XV. INTERPRETATION

This Agreement shall be governed and interpreted under the laws of the State of North Carolina. This Agreement is intended to serve as an interlocal agreement, for purposes of executing the undertaking described in the preceding sections and paragraphs, under North Carolina General Statutes 160A-460 *et seq.* (Part 1 of Article 20 of Chapter 160A). The terms of this Agreement do not constitute a coverage document or form applicable to any specific claim. The liability of the Trust to the participants of any member is specifically limited to such obligations as are imposed by the plan of insurance and benefits as approved by the Trustees.

Should any clause, sentence, provision, paragraph, or other part of this Agreement be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Agreement. Each of the parties declares that it would have entered into this Agreement irrespective of the fact that any one or more of this Agreement's clauses, sentences, provisions, paragraphs, or other parts have been so declared invalid. Accordingly, it is the intention of the parties that the remaining portions of this Agreement shall remain in full force and effect without regard to the clause(s), sentence(s), provision(s), paragraph(s), or other part(s) invalidated.

Failure of the Trustees, the Administrator, or their designees to insist in any one or more instances upon the performance of any of the covenants, agreements, and/or conditions of this Agreement, or to exercise any right or privilege herein conferred, shall not be construed as a waiver of any such covenant or condition.

This Agreement contains the entire agreement between the parties, whom shall not be bound by any verbal statement or agreement made heretofore.

SECTION XVI. MEMBER REPRESENTATIVES; NOTICES

There shall be a Member Representative for each member of the Trust who shall be the agent of the member for purposes of giving and receiving notices required or permitted pursuant to this Agreement. Each member shall designate a Member Representative and provide the member's postal mailing address and, if applicable, a facsimile number and electronic mail address to which the Administrator may provide notices hereunder. The Administrator shall provide forms, as needed, for use by the member in designating its Member Representative and providing its address information. Such information may be updated at any time there is a change in the information provided thereon. Until such time as different information is provided, the Member Representative shall be the member's chief administrative official as shown on the records of the Administrator, and the member's postal mailing address, facsimile number and electronic mail address also shall be that as shown on the records of the Administrator. For purposes of illustration and not limitation, a chief administrative official shall be considered to be a manager, administrator, clerk or executive director as may apply with respect to a particular member.

Any notices required or permitted by this Agreement shall be in writing and may be given: in person, by United States Postal Service, by facsimile, or by electronic mail. Notices shall be deemed delivered: (a) when received if delivered in person, (b) three business days after being deposited with the United States Postal Service, postage prepaid, properly addressed to the party to whom such notice is intended to be given at the address established under this section, (c) on the date sent if given by facsimile, provided that an electronic confirmation of delivery has been received by the sender and that a copy of such notice was also sent on such date by mailing, or (d) on the date sent if given by electronic mail, provided a copy of such notice was also sent on such date by mailing and receipt of the electronic mail is acknowledged by the receiving party by return electronic mail. Notices provided to the Administrator shall be delivered, addressed or

directed as follows, or to such other address as designated by the Administrator in written notice to the member provided in accordance with this paragraph:

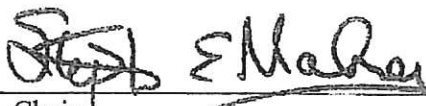
Executive Director
North Carolina League of Municipalities
150 Fayetteville Street, Suite 300
Raleigh, North Carolina 27601
Facsimile number: 919-301-1053
Electronic address: RMSnotifications@ncmlm.org

IN WITNESS WHEREOF, the participating entity listed below acknowledges its membership in the Trust and acceptance of obligations hereunder, by the due execution hereof, following appropriate governing body approval, by its duly authorized official. Further, the members of the Municipal Insurance Trust of North Carolina have caused these presents to be signed by their duly authorized Chair of the Board of Trustees and have had this Agreement attested by its duly authorized Administrator.

WITNESS:




MUNICIPAL INSURANCE TRUST
OF NORTH CAROLINA

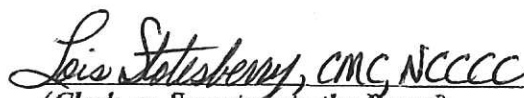
BY: 
Chair
Board of Trustees



NORTH CAROLINA LEAGUE
OF MUNICIPALITIES

BY: 
Executive Director
Administrator

County of Hyde
(NAME OF PARTICIPATING ENTITY)


(Clerk, or Secretary to the Board)

BY: 
(Mayor, or Board Chair)